

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

ORDER DENYING MOTIONS FOR REHEARING

THIS MATTER comes before the New Mexico Public Regulation Commission (“Commission” or “NMPRC”) upon the August 10, 2018 Application of Public Service Company of New Mexico (PNM or “Applicant”), seeking site location approval and for right-of-way (“ROW”) width determination for a 345 kV transmission line and associated facilities; whereupon, being duly informed,

THE COMMISSION FINDS AND CONCLUDES:

1. On August 10, 2018, PNM filed its Application requesting that the Commission issue a Final Order approving the BB2 Project and granting a Certificate of Public Convenience and Necessity ("CCN") pursuant to NMSA 1978 Section 62-9-1; determining the ratemaking principles and treatment that will apply to the BB2 Project, also pursuant to Section 62-9-1; approving the location of the project pursuant to NMSA 1978, Section 62-9-3 and ("Rule 592"); and authorizing a right-of-way ("ROW") width greater than one hundred feet pursuant to NMSA 1978, §62-9-3.2.NMSA 1978.

2. On March 11, 2019, the Recommended Decision (“RD”) was issued which granted PNM’s Application but denied PNM’s requested ratemaking treatment and granted a 200 foot right of way instead of the requested 150 foot right of way. The RD’s Decretal Paragraphs recommended the Commission Order that:

1. PNM is granted a certificate of public convenience and necessity to construct, operate and maintain the Proposed BB2 Project, subject to the following conditions
2. PNM shall file copies of all construction permits received for the BB2 Project within two weeks of receipt.
3. PNM shall file a summary of the actual cost of the BB2 Project for comparison to PNM’s Exhibit JRM-9 on Page 11 of Appendix A within 60 days after all final costs have been incurred and cleared the accounting system.
4. PNM shall file a notice of the date that the BB2 Project is placed into service.
5. The location of the Proposed BB2 Project is approved under NMSA 1978, Section 62-9-3.
6. PNM’s requested ratemaking treatment is denied.
7. Facebook shall directly reimburse PNM for costs of the BB2 Project pursuant to generally accepted principles of cost causation.
8. The ratemaking principles and treatment applicable to the BB2 Project once it is placed into service are that PNM shall not recover any cost of the Proposed BB2 Project from retail ratepayers other than Facebook unless and until otherwise ordered by the Commission.

3. On April 16, 2019, the Final Order Adopting the Recommended Decision which stated that:

...the Commission concurs with the Recommended Decision, with the addition of the following sentence to the RD’s Finding of Fact and Conclusions of Law #8 and also to Decretal Paragraph F.: **“The costs of the BB2 Project shall not be recovered from Facebook through the “Transmission Demand Rate”, Exhibits D1 and D2 to the Special Service Rate No. 36B so that there is no double recovery of those costs.”** Therefore, the Commission finds that, with the addition of the **bold** sentence, the Recommended Decision’s Statement of the Case, Discussion, Finding of Fact and

Conclusions of Law and Decretal Paragraphs should be herein incorporated by reference as if fully set forth in this Order, and should be ADOPTED, APPROVED, and ACCEPTED as Findings, Conclusions and Decretal Paragraphs of the Commission...**IT IS THEREFORE ORDERED:**

A. The Recommended Decision, in its entirety, with the addition of **bold** sentence, including its Decretal Paragraphs are hereby ADOPTED, APPROVED and ACCEPTED in its entirety.

4. On April 25, 2019, Bill King Ranch (“BKR”) filed a Motion for Rehearing requesting the Commission deny PNM’s Application in total for the same reasons stated in its Exceptions.

5. On April 29, 2019, the Coalition for Clean Affordable Energy (“CCAE”) filed an Application for Rehearing and Request to Shorten Time for Response requesting the Commission grant PNM its requested ratemaking treatment and not adopt the RD’s ratemaking determination.

6. On April 29, 2019, PNM filed an Application for Expedited Rehearing and Modification of Order and for Order Shortening Time for Responses requesting the Commission grant PNM its requested ratemaking treatment and not adopt the RD’s ratemaking determination.

7. On April 30, 2019, the New Mexico Industrial Energy Consumers (“NMIEC”) filed a Motion for Rehearing requesting the Commission grant PNM its requested ratemaking treatment and not adopt the RD’s ratemaking determination.

8. On May 8, 2019, PNM filed a Response to BKR’s Motion for Rehearing.

9. On May 13, 2019, the following were filed by BKR: Bill King Ranch, Inc.’s Response to PNM’s Application for Expedited Rehearing and Modification for Order Shortening Time for Responses; Bill King Ranch, Inc.’s Opposition to Coalition for Clean Affordable

Energy's Application for Rehearing and Request to Shorten Time for Response; and Bill King Ranch, Inc.'s Opposition to New Mexico Industrial Energy Consumers' Motion for Rehearing.

10. The Commission finds that Motions for rehearing or reconsideration are generally disfavored. *See In re El Paso Electric Co.*, Case No. 11-00047-UT, Motion for Rehearing Denied at ¶ 4.

11. For the reasons set forth in detail in the Recommended Decision, as adopted by the Commission Final Order of April 16, 2019, with the addition of the bold sentence, the Commission should deny all requests for rehearing.

IT IS THEREFORE ORDERED:

- A. PNM's, Bill King Ranch's, NMIEC's and CCAE's Motions/Applications requesting rehearing are hereby denied.
- B. This docket is closed.
- C. A copy of this Order shall be served on all persons listed on the attached Certificate of Service via e-mail where such e-mail addresses are known and shall otherwise be served by regular first-class postal delivery.
- D. This Order is effective immediately.

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ISSUED under the Seal of the Commission at Santa Fe, New Mexico, this ~~15~~th day
of May, 2019.

NEW MEXICO PUBLIC REGULATION COMMISSION

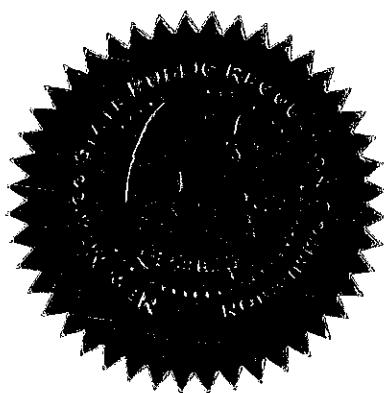
Theresa Becenti-Aguilar
Theresa Becenti-Aguilar
THERESA BECENTI-AGUILAR, CHAIR, DISTRICT 4

Valerie Espinoza
Valerie Espinoza
VALERIE ESPINOZA, VICE-CHAIR, DISTRICT 3

Cynthia B. Hall
Cynthia B. Hall
CYNTHIA HALL, COMMISSIONER, DISTRICT 1

Jefferson L. Byrd
Jefferson L. Byrd
JEFFERSON L. BYRD, COMMISSIONER, DISTRICT 2

TELEPHONICALLY APPROVED
Stephen Fischmann
STEPHEN FISCHMANN, COMMISSIONER, DISTRICT 5



BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF PUBLIC)
SERVICE COMPANY OF NEW)
MEXICO'S APPLICATION FOR) Case 18-00243-UT
APPROVAL OF A 345 KV)
TRANSMISSION LINE AND)
ASSOCIATED FACILITIES)
PURSUANT TO THE PUBLIC UTILITY)
ACT

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing **Order Denying Motions for Rehearing** issued by the New Mexico Public Regulation Commission on May 16, 2019, was sent via email on May 16, 2019, to the parties indicated below:

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|---------------------------------|--|
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DATED this 16th day of May, 2019.

NEW MEXICO PUBLIC REGULATION COMMISSION



Kathleen M. Segura, Executive Assistant